

**ELECTRONICALLY FILED
MAY 19, 2006**

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[Proposed] Special Counsel for Official Committee of Equity Security Holders
of USA Capital First Trust Deed Fund, LLC and USA Capital Diversified Trust Deed Fund,
LLC; and for the Official Committee of Executory Contract Holders of USA Commercial
Mortgage Company

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:	)	BK-S-06-10725-LBR
USA COMMERCIAL MORTGAGE COMPANY	)	Chapter 11
Debtor.)	
In re:	)	BK-S-06-10726-LBR
USA CAPITAL REALTY ADVISORS, LLC,	)	Chapter 11
Debtor.)	
In re:	)	BK-S-06-10727-LBR
USA CAPITAL DIVERSIFIED TRUST DEED	)	Chapter 11
FUND, LLC,)	
Debtor)	
In re:	)	BK-S-06-10728-LBR
USA CAPITAL FIRST TRUST DEED FUND, LLC,	)	Chapter 11
Debtor)	
In re:	)	BK-S-06-10729-LBR
USA SECURITIES, LLC,	)	Chapter 11
Debtor)	

SHEA & CARLYON EMPLOYMENT APPLICATION

Affects:

- ☐ All Debtors
☒ USA Commercial Mortgage Co.
☐ USA Securities, LLC
☐ USA Capital Realty Advisors, LLC
☒ USA Capital Diversified Trust Deed
☒ USA First Trust Deed Fund, LLC

DATE: June 5, 2006

TIME: 9:30 a.m.

**APPLICATION FOR ORDER APPOINTING SHEA & CARLYON, LTD. AS SPECIAL
 (NEVADA) COUNSEL FOR THE OFFICIAL COMMITTEES OF EQUITY SECURITY
 HOLDERS OF USA CAPITAL FIRST TRUST DEED FUND, LLC AND USA
 CAPITAL DIVERSIFIED TRUST DEED FUND, LLC; AND THE OFFICIAL
 COMMITTEE OF HOLDERS OF EXECUTORY CONTRACT RIGHTS OF USA
 COMMERCIAL MORTGAGE COMPANY
 (AFFECTS CASE NO. 06-10725-USA COMMERCIAL MORTGAGE COMPANY; 06-
 10729- USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC; AND 06-10728- USA
 CAPITAL FIRST TRUST DEED FUND, LLC)**

The Official Committees of Equity Security Holders of USA First Trust Deed Fund, LLC (the "First Trust Deed Committee") and USA Capital Diversified Trust Deed Fund, LLC (the "Diversified Trust Deed Committee"); together with the Official Committee of Holders of Executory Contract Rights of USA Commercial Mortgage Company (the "Executory Contracts Rights Holders' Committee" and, collectively with the First Trust Deed Committee and the Diversified Trust Deed Committee, the "Investor Committees"); hereby moves this Honorable Court for appointment of the law firm of Shea & Carlyon, Ltd. ("Shea & Carlyon") as special (Nevada) counsel in this matter.

This application is brought pursuant to section 11 U.S.C. §§ 327(e) of the Bankruptcy Code, Federal Rule of Bankruptcy Procedure 2014 and the United States Trustee's guidelines regarding the employment and compensation of professional persons, and is based on this Application, as well as the supporting Declaration of James Patrick Shea and Statement of Disinterestedness of Shea & Carlyon. In support of the Application, Shea & Carlyon respectfully represent as follows:

I.

BACKGROUND

On April 13, 2006, petitions for relief under Chapter 11 of the Bankruptcy Code were filed by the following entities (collectively, the "Debtors"):

USA Commercial Mortgage Company ("USACMC")

USA Capital Realty Advisors, LLC ("USA Realty")

USA Capital Diversified Trust Deed Fund ("USA Diversified LLC")

USA Capital First Trust Deed Fund, LLC ("USA First LLC")

USA Securities, LLC ("USA Securities")

On May 9, 2006, this Honorable Court issued an Order Regarding Joint Administration Without Substantive Consolidation, providing for joint administration and noticing in the above listed cases (collectively, the "USA Cases").

On May 10, 2006, the office of the United States Trustee appointed the following official committees in the USA Cases:

In USACMC, an Official Unsecured Creditors' Committee (the "Unsecured Creditor's Committee") as well as an Official Committee of Holders of Executory Contract Rights (the "Executory Contracts Rights Holders' Committee");

In USA Diversified, LLC, an Official Committee of Equity Security Holders (the "Diversified Trust Deed Committee"); and

In USA First Trust Deed, LLC, an Official Committee of Equity Security Holders (the "First Trust Deed Committee").

The First Trust Deed Committee retained the law firm of Stutman Treister & Glatt ("ST&G") as its lead bankruptcy counsel, with the understanding that Shea & Carlyon would act as special ("Nevada") counsel. Subsequently, concluding that it would be of significant benefit to the estate to have the Investor Committees jointly represented by the same counsel,

1 and after consultation with, and with the consent of, the First Trust Deed Committee, the
 2 Diversified Trust Deed Committee and the Executory Contracts Rights Holders' Committee
 3 engaged ST&G as well.

4 An application for employment of ST&G is being separately filed.

6 II.

7 QUALIFICATIONS OF SHEA & CARLYON, LTD.

8 Shea & Carlyon has been selected as special counsel based upon its substantial
 9 experience with bankruptcy cases in the District of Nevada. A detailed description of the
 10 qualifications of Shea & Carlyon and its professionals is contained in **Exhibit "1"** hereto.

12 III.

13 SCOPE OF REPRESENTATION

14 It is contemplated that Shea & Carlyon will act as special counsel for the Investor
 15 Committees. Subject to further order of this Court and without being exhaustive, Shea &
 16 Carlyon proposes to render the following types of legal services on behalf of the Investor
 17 Committees:

- 19 a. Provide representation of the Investor Committees as "Nevada counsel" for
 20 ST&G, including review of pleadings and papers, and appearances at such
 21 matters as 341 meetings and omnibus hearings;
- 22 b. Provide representation to the Investor Committees in Las Vegas to the extent that
 23 both ST&G and Shea & Carlyon determine that such representation should be
 24 handled by Shea & Carlyon;
- 25 c. Attend meetings of the Investor Committees, and assist with tasks related
 26 thereto;
- 27 d. Assist with filing and service of documents;

- 1 e. Communicate with members of the Investor Committees and their constituents,
2 as well as other counsel in the USA Cases;
3 f. Provide general (overflow) case assistance, to the extent such assistance is
4 required;
5 g. Provide representation as to matters as to which ST&G may have conflicts or
6 potential conflicts;
7 h. Handle discrete tasks, to the extent agreed between the Investor Committees,
8 ST&G and Shea & Carlyon.
9

10 Shea & Carlyon has been requested to serve as special (Nevada) counsel to ST&G with
11 regard to the representation of the First Trust Deed Committee, the Diversified Trust Deed
12 Committee and the Executory Contracts Rights Holders' Committee. However, the Investor
13 Committees, Shea & Carlyon, and ST&G have agreed that, to the extent that any conflict of
14 interest arises among the several Investor Committees which the Investor Committees
15 determine cannot be resolved consensually among themselves, separate conflicts counsel will be
16 engaged for such matters.
17

18 Moreover, in the event that the Court chooses not to permit the joint representation of
19 the Investor Committees, the Investor Committees have agreed that Shea & Carlyon will
20 represent only the First Trust Deed Committee in its capacity as special Nevada counsel to
21 ST&G. Shea & Carlyon requests the court's approval for such alternative representation.
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IV.

**PRIOR CONNECTIONS WITH THE DEBTORS, CREDITORS AND
PARTIES IN INTEREST**

As set forth in the Declaration of James Patrick Shea, Esq. filed herewith, Shea & Carlyon has no known connection with the Debtors, the Creditors, or any other Party in Interest, except as set forth below:

- (1) The spouse of one of Shea & Carlyon's shareholders is an attorney in the Clark County District Attorney's office, Civil Division, with no duties relating to collection of claims in bankruptcies. Clark County may be a creditor in one or more of the USA Cases;
- (2) Shea & Carlyon represents Wells Fargo Bank ("Wells Fargo") in numerous matters, including issues relating to the USACMC prepetition and postpetition bank accounts, as well as prepetition debts owed by USACMC to Wells Fargo. (The general counsel for the Debtors in the USA Cases, Ray, Quinney & Nebeker, PC, also represents Wells Fargo in numerous unrelated matters.) On May 8, 2006, this Honorable Court entered its Final Order Approving Stipulation re Setoff and Bank Accounts, permitting Wells Fargo to set off amounts due to Wells Fargo against funds on deposit by USACMC. Debtors have since moved their bank account relationships to Bank of America. However, two issues have been raised by USACMC relative to Wells Fargo. First, Wells Fargo has advised USACMC that it intends to close all prepetition USACMC accounts at Wells Fargo. USACMC has alleged that Wells Fargo is prohibited by the Automatic Stay from doing so. Second, Debtors have asserted that the payment of three items postpetition from the USACMC account was improper. These items total

1 approximately \$100,600. Wells Fargo and USACMC continue to discuss these
2 issues. Shea & Carlyon and ST&G have agreed that any matter arising with
3 respect to Wells Fargo that may pose a potential conflict of interest for Shea &
4 Carlyon will be handled solely by ST&G.

5
6 (3) Shea & Carlyon has performed a computerized "conflicts check" as to the
7 entities listed by the Debtors as the Unsecured Creditors Holding the Twenty
8 Largest Claims, the Debtors, and the Debtors' listed insiders, including: "USA
9 Commercial Mortgage", "USA Capital Realty Advisors", "USA Capital
10 Diversified Trust Deed Fund", "USA Capital First Trust Deed Fund", "USA
11 Securities", "Milanowski", "Olson", "Hamilton", "Allison", and "Hantges".
12 Shea & Carlyon also performed a conflicts check as to the members of each of
13 the official creditors' committees appointed in the USA Cases. The following is
14 the result of those searches:
15

16 a. With regard to USACMC, in addition to the Wells Fargo issues discussed
17 above:
18

19 i. Shea & Carlyon formerly served as counsel to US Bank in one
20 unrelated matter which concluded in March of 2001. US Bank is listed as one of
21 the twenty largest unsecured creditors in the USACMC Case

22 ii. Del Bunch is listed as one of the twenty largest unsecured
23 creditors and is a member of the Official Committee of Unsecured Creditors in
24 the USACMC case. Candace Carlyon, Managing Partner of Shea & Carlyon,
25 serves as a Nevada Supreme Court Settlement Judge, and presided over an
26 unrelated matter in which Mr. Bunch was a party, which concluded in January of
27 2004.
28

1 iii. Shea & Carlyon previously represented USACMC as to a
2 collection/bankruptcy matters relating to Bruin Nevada (last work performed on
3 July 23, 2004), and the attorney primarily performing such services left the firm
4 in 2005. Shea & Carlyon was also engaged as a potential witness in a divorce
5 proceeding involving one of the principals of USACMC, Thomas Hantges (last
6 work performed on March 11, 2004). Shea & Carlyon did not serve as general
7 counsel for USACMC, and did not obtain any information of a confidential
8 nature relative to matters involved in the USA Cases.
9

10 iv. Additionally, in 2002, Shea & Carlyon represented Young
11 Electric Sign Company ("YESCO"), in drafting and executing a lease
12 amendment and several guaranties with regard to which YESCO was the lessor
13 and HMA Sales, LLC dba Royal Palms, was lessee. The guarantors in that
14 transaction included USACMC, USA Investment Partners LLC, Thomas
15 Hantges, and Joseph D. Milanowski, a principal of USACMC. Shea & Carlyon
16 does not currently represent YESCO in that matter, and is not in possession of
17 any confidential information from USACMC or any of its affiliates or insiders
18 relative to the USA Cases.
19

20 v. ST&G and Shea & Carlyon served as counsel for the Committee
21 of Concerned Investors, an unofficial committee formed prior to the appointment
22 of the official committees in the USA Cases, solely for the purpose of advocating
23 the response to the Debtors' proposed Cash Management Motion. A copy of the
24 response filed by that group appears at docket no. 119.
25

26 b. In addition, Shea & Carlyon represented both USACMC and USA
27 Diversified LLC as creditors in the following jointly administered bankruptcy
28

1 cases, designated case nos. 01-11791 through 11724 respectively: In re Principle
 2 Centered, Inc.; In re American Destination, II, LLC; In re American
 3 Enchantment II, LLC; In re American Harmony II, LLC; In re American
 4 Inspiration, LLC; and In re American Imagination, Inc. The last work
 5 performed on these matters was on May 30, 2003. Some or all of the debtors in
 6 these cases were successors in interest or were otherwise affiliated with
 7 American Communities, LLC, American Communities, Inc, or American
 8 Communities, LLP. The Firm is not in possession of any confidential
 9 information relating to the USA Cases as a result of such former representation.
 10

- 11 (4) USACMC is a servicing agent for approximately 3,600 investors who hold
 12 fractional interests in specific loans, and for approximately 3,200 investors who
 13 hold membership interests in both USA Diversified LLC and USA First LLC.
 14 Shea & Carlyon has not attempted to process each investor's name through its
 15 "conflicts check" system.
 16

17 V.

18 COMPENSATION

19 Subject to Court approval, in accordance with 11 U.S.C. §§ 330 and 331, the Investor
 20 Committees seek to retain Shea & Carlyon on an hourly basis at the customary and standard
 21 rates that Shea & Carlyon charges for similar representation, plus reimbursement of actual and
 22 necessary expenses and charges incurred by Shea & Carlyon in the fulfillment of its duties and
 23 responsibilities, subject to adjustment to comply with UST Guidelines.
 24

25 Shea & Carlyon has received no retainer.
 26

27 Shea & Carlyon proposes to bill the estate based upon hourly rates which currently range
 28 from \$325-\$425 for shareholders and "of counsel;" \$190 per hour for associates; and \$120 -

1 \$150 per hour for legal assistants and paraprofessionals. Such rates are subject to change.
2 While it is not known what increases may occur or over what time period services will be
3 rendered, generally rates are increased by approximately 5% – 10% effective on January 1st of
4 each year. A summary of current hourly rates is attached hereto as **Exhibit “2”**.
5

6 Shea & Carlyon also reserves the right to seek compensation for services rendered on
7 behalf of the Committee of Concerned Investors to the extent that the Court determines such
8 services to have benefited the Investor Committees or that the services constituted a substantial
9 contribution to the bankruptcy cases.

10 In addition, Shea & Carlyon will seek reimbursement for expenses incurred in
11 representation of the Investor Committees, which may include charges for photocopies (\$.25 per
12 page); telefax (\$1.00 per page for long distance, \$.50 per page local); messenger (generally
13 \$7.50 to \$10.00 per “run”, unless actual third party costs is higher); Westlaw (actual cost)¹; long
14 distance telephone (actual cost), scanning/large print jobs (\$.10 per page); filing fees, court
15 reporter fees, bankruptcy court copies, tapes and transcripts.
16

17 It is contemplated that Shea & Carlyon may seek interim compensation during the case
18 as permitted by 11 U.S.C. § 331 and Fed. R. Bankr. P. Rule 2016. Shea & Carlyon understands
19 that its compensation in this case is subject to the prior approval of this Court. No
20 compensation will be paid to Shea & Carlyon except upon application to and approval by this
21 Court after appropriate notice and a hearing in accordance with 11 U.S.C. §§ 330(a) and 331,
22 Fed. R. Bankr. P. Rule 2016, and the United States Trustee’s guidelines regarding the
23 employment and compensation of professional persons.
24
25

26
27 ¹ Shea & Carlyon currently subscribes to unlimited use of federal and state cases and statutes and does not pass
28 charges for such flat fee subscriptions on to its clients.

1 Shea & Carlyon proposes to work with the Investor Committees and ST&G (and, if
2 possible, with Debtors' counsel) to establish a protocol for the division and allocation of its
3 billings in order to appropriately reflect services performed on behalf of the three committees
4 which have engaged Shea & Carlyon.

5
6 Other than as set forth above, there is no proposed arrangement between the Investor
7 Committees and Shea & Carlyon for compensation to be paid in this case. Shea & Carlyon has
8 no agreement with any other entity to share any compensation received, except as permitted
9 under Bankruptcy Code section 504(b)(1).

10 Shea & Carlyon will file supplemental affidavits regarding this retention if any
11 additional relevant information comes to its attention.
12

13 **VI.**

14 **CONCLUSION**

15 Based on the foregoing, Shea & Carlyon requests that this Court approve its
16 employment as special bankruptcy counsel for the Investor Committees, to render services as
17 described above, with compensation and expense reimbursement to be paid as an administrative
18 expense in such amounts as this Court may hereafter determine and allow. In the event that the
19 Court does not approve the joint representation of the three Investor Committees, Shea &
20 Carlyon requests in the alternative that the Court approve its employment as special Nevada
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1 counsel for the First Trust Deed Committee. It is further requested that such employment be
2 effective as of May 10, 2006.

3 DATED this 19 day of May, 2006.

4
5 SHEA & CARLYON, LTD.

6 

7 JAMES PATRICK SHEA, ESQ.

8 Nevada Bar No. 000405

9 CANDACE C. CARLYON, ESQ.

10 Nevada Bar No. 002666

11 SHLOMO S. SHERMAN, ESQ.

12 Nevada Bar No. 009688

13 233 South Fourth Street, Second Floor

14 Las Vegas, NV 89101

15 Proposed Special Counsel

1 Reviewed and approved by
2 INVESTOR COMMITTEES:

3 OFFICIAL COMMITTEE OF EQUITY
4 SECURITY HOLDERS OF USA CAPITAL
5 FIRST TRUST DEED FUND, LLC

6 /s/ Mary Ellen Moro
7 Mary Ellen Moro

8 OFFICIAL COMMITTEE OF EQUITY
9 SECURITY HOLDERS OF USA CAPITAL
10 DIVERSIFIED TRUST DEED FUND, LLC

11 _____
12 Robert Worthen

13 OFFICIAL COMMITTEE OF HOLDERS OF
14 EXECUTORY CONTRACT RIGHTS THROUGH
15 USA COMMERCIAL MORTGAGE COMPANY


16 _____
17 Terry Helms

1 **Reviewed and approved by**
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FROM :

FAX NO. : 702 2580403

May. 19 2006 11:59AM P1

1 Reviewed and approved by
2 INVESTOR COMMITTEES:

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Page 13 of 13

EXHIBIT “1”

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Shea & Carlyon, Ltd. was formed in 1996 by James Patrick Shea and Candace C. Carlyon. The members of the firm emphasize the highest standards of legal representation while recognizing the need for strong personal relationships between the firm and its clients. The firm's practice includes: creditors' rights, insolvency and reorganization, representation of financial institutions, general civil and commercial litigation, real estate, and appellate advocacy.

Members of the firm have participated in numerous gaming reorganizations, including the Landmark, Marina, Riviera, Ballys, Gold River, Stratosphere, Arizona Charlie's, Debbie Reynolds, Regent (Resort at Summerlin), and Aladdin hotel/casino cases, as well as National Airlines, Agribiotech, Mego Financial and U-Haul bankruptcy cases.

SHAREHOLDERS:

James Patrick Shea

Mr. Shea is a graduate of the University of Arizona (B.A., 1979) and University of Arizona College of Law (J.D.1982). His law school accomplishments included the Chairmanship of the Moot Court Board and the receipt of the Mitchell C. Nelson Award for legal scholarship. His twenty two years of legal experience includes representation of the Landmark, Marina, Aladdin and Riviera Hotel/Casinos, Sunworld International Airlines, National Airlines, Agribiotech, and Carson Wayne Newton, as well as numerous financial institutions. He is a frequent author and lecturer, including *Basic Bankruptcy in Nevada*, National Business Institute, Spring, 1988; *A Practitioner's Guide to Bankruptcy Litigation*, NTLA Annual Convention, Summer, 1988; *Protection of Secured Interests in Bankruptcy in Nevada*, National Business Institute, Spring, 1989; *Lender Liability for Hazardous Waste*, Robert Morris Associates, Fall, 1989; *Fear and Loaning in Las Vegas*, National Association of Guaranteed Government Lenders, April, 1990; *Lender Liability in Nevada*, National Business Institute, July, 1990; *Bankruptcy Practice and Procedure*, State Bar of Nevada CLE Presentation, December, 1990; *Executory Contracts and Unexpired Leases*, Great Plains Bankruptcy Conference, American Bankruptcy Institute, Spring, 1993; *Discovery Techniques for Bankruptcy Litigation*, Southern Nevada Association of Bankruptcy Attorneys, September, 1993; *Bankruptcy Myths & Mysteries, a Non-Practitioner's Guide*, State Bar of Nevada Annual Convention, 1994; *The Bankruptcy Act of 1994: Bankruptcy Ethics*, Southwest Bankruptcy Conference, American Bankruptcy Institute, March, 1995; *When a House of Cards Comes Tumbling Down*, American Bankruptcy Institute Winter Leadership Conference, 1995; *When a House of Cards Comes Tumbling Down, Revisited*, Mississippi Gaming Conference, Winter, 1995; *The Bankruptcy Reform Act of 1994: One Year Later*, National Credit Managers' Association, December, 1995; *Prosecution of Bankruptcy Crimes*, Northern Nevada Bankruptcy Bar Association, January, 1996; *Bankruptcy 101: Guide to Bankruptcy Practice for the Non-Bankruptcy Practitioner*, State Bar of Nevada,

CLE Presentation, October, 1996; *Ninth Circuit Bankruptcy Symposium*, Professional Education Systems, Inc., February, 1997; *Bankruptcy Basics*, Credit Managers Association of California, August, 1998; *Exemption Abuse - Fact of Fiction?*, Viva Las Vegas Winter Bankruptcy Workshop, Bankruptcy Seminars, Inc., February, 1999; *Formulation & Implementation of Business Plans in "Middle Market" Chapter 11 Cases*, American Bankruptcy Institute Southwest Bankruptcy Conference, September, 1999; *A Multitude of Mysteries about Business Reorganizations under the New Amendments or the Same Old Code*, American Bankruptcy Institute Winter Leadership Conference, December, 1999; *Winter Bankruptcy Workshop, Las Vegas III*, Bankruptcy Seminars, Inc., March, 2000; *Great Debate, Disinterestedness Standard Under 11 U.S.C. 327*, ABI Annual Spring Meeting, April 2000; *Moderator, Judges Roundtable*, American Bankruptcy Institute Southwest Bankruptcy Conference, September, 2001; *Proposed Modifications to the Bankruptcy Code*, ABI Winter Leadership Conference, December, 2002; *Bankruptcy Issues in Construction Cases*, ABI Rocky Mountain Bankruptcy Conference, January, 2003; *The Sale of The Debtor's Assets Under Section 363 Versus a Sale Under a Chapter 11 Reorganization Plan: The Path to World Domination*, American Bankruptcy Institute Southwest Bankruptcy Conference, September, 2004. Mr. Shea has also conducted numerous in-house seminars, including *Basic Bankruptcy*, *Preparation of Loan and Security Documents*, *Lender Liability*, and *the Law of Hazardous Wastes and CERCLA*. Mr. Shea is a Board Member of the American Bankruptcy Institute, is the immediate past Chairman of the American Bankruptcy Institute's Committee on Gaming Insolvencies and Reorganizations, and is a past Chairman and Director of the American Bankruptcy Institute's Southwest Bankruptcy Conference. He is a past Chairman of the State Bar of Nevada's Bankruptcy Law Section, has served as Chairman of the Advisory Committee of the Southern Nevada Association of Bankruptcy Attorneys; and served as a member of the United States Trustee Guidelines Committee. Mr. Shea is also a member of the American Bar Association; State Bar of Nevada; Southern Nevada Association of Bankruptcy Attorneys; Nevada Bar Section on Bankruptcy and Insolvency; and the American Bankruptcy Institute. He has achieved the "A-V" rating, the highest available, from Martindale-Hubbell. He has been a member of the Nevada Bar since 1982.

Candace C. Carlyon

Ms. Carlyon is a graduate of Loyola Marymount University (BA, magna cum laude, 1982) and Pepperdine University School of Law (J.D., magna cum laude, 1985). Her law school accomplishments include Dean's Merit (full tuition) Scholarship, Law Review, and the receipt of American Jurisprudence Awards in the areas of Contracts (2), Real Property, Civil Procedure and Criminal Law. She served as a law clerk to Nevada Supreme Court Justice Cliff Young. Her legal experience includes representation of numerous financial institutions, hotels, casinos, creditors' committees, bondholders' committees, title companies, real estate developers and investment entities. She is a frequent author and lecturer, including, *Survey of California Supreme Court Decisions*, Pepperdine Law Review, Summer, 1984; *Protection of Secured Interests in Bankruptcy in Nevada*, National Business Institute, Spring, 1989; *Fear and Loaning in Las Vegas*, National Association of Government Guaranteed Lenders, April, 1990; *Lender Liability in Nevada*, National Business Institute, July, 1990; *Bankruptcy Practice and Procedure*, State Bar of Nevada CLE Presentation, December, 1990; *Nevada's One Action Rule*, Southern Nevada Association of Bankruptcy Attorneys, October, 1991; *Bankruptcy Litigation Skills in*

Nevada, National Business Institute, August, 1992; *Discovery in Bankruptcy Cases*, Southern Nevada Association of Bankruptcy Attorneys, September, 1993; *Protection of Secured Creditors' Rights in Bankruptcy*, National Business Institute, February, 1994; *Fundamentals of Bankruptcy Litigation*, National Business Institute, December, 1994; *Bankruptcy Code Overhauled*, Nevada Lawyer, December, 1994; *Commercial Lending*, National Business Institute, March 1995; *The Bankruptcy Act of 1994*, Ninth Circuit Judicial Conference, Spring, 1995; *The Good, the Bad and the Bankrupt*, U.S. Small Business Administration, September, 1995; *Daddy Don't You Walk so Fast: Bankruptcy Court no Longer Safe Haven for Support Debtors*, Nevada Lawyer, October, 1995; *The Bankruptcy Act of 1994: One Year Later*, National Credit Managers' Association, December, 1995; *Bankruptcy 101: A Non-Practitioner's guide to Bankruptcy Practice*, State Bar of Nevada, 1996; *Commercial Lending in Nevada*, March, 1996; *1996 Advanced Conference on Commercial Real Estate Leases*, Law Seminars International, August 1996; *Ninth Circuit Bankruptcy Symposium*, Professional Education Systems, Inc., February, 1997; *Fundamentals of Bankruptcy Law and Procedures in Nevada*, National Business Institute, March, 1997; *Bankruptcy Basics*, Credit Managers Association of California, August, 1998; *Understanding the Secret Handshake: A Bankruptcy Primer for Non-Bankruptcy Attorneys*, Nevada Lawyer, January 1999; *Practices in Bankruptcy Court*, Clark County Bar Association, March, 1999; *Problem Loan Strategies*, Robert Morris Associates, April, 1999; *Advanced Issues in Automatic Stay Litigation*, American Bankruptcy Institute, September, 2000; *Discovering and Managing Clients' Expectations*, United States District Court Conference, May, 2001; *Creditors' Rights and Protection of Security Interests in Bankruptcy*, Sterling Education Services, LLC, December 2001, *Bankruptcy Strategies for Credit Managers in Nevada*, May, 2002, Credit Managers Association of Nevada; *Mechanics' Lien Claims in Bankruptcy*, American Bankruptcy Institute, Southwest Bankruptcy Conference, September, 2002; *Putting it all on Black and Other Strategies for Casino Reorganizations*, American Bankruptcy Institute, Southwest Bankruptcy Conference, September, 2003; *Top Ten Strategies for Creditors in Bankruptcy Court*, Risk Manager's Association, March 2004; co-author, *Section 363 and the Path to World Domination; Can All Be Achieved in the Sale Motion? and Why Your Malpractice Premiums Keep Going Up--Current Ethical Issues for Attorneys and Non-Lawyer Professionals in Bankruptcy Cases*, American Bankruptcy Institute, Southwest Bankruptcy Conference, September, 2004. She is a member of the American Bankruptcy Institute (also serving on the Board of the Southwest Bankruptcy Conference); the Southern Nevada Association of Bankruptcy Attorneys; and the America Nevada Inns of Court. Ms. Carlyon serves as a director of the American Board of Certification of Bankruptcy and Insolvency Professionals, and has been recognized by that organization as a certified Commercial Bankruptcy Specialist since 1994. She currently serves as a Ninth Circuit Lawyer Representative in the District of Nevada, as well as a Nevada Supreme Court Settlement Judge. Ms. Carlyon has been recognized in *The Best Lawyers in America* in the field of bankruptcy since 1994, and has held an "A-V" rating, the highest available, from Martindale-Hubbell since 1989. She has been a member of the Nevada Bar since 1986 and a member of the California Bar since 1985.

ASSOCIATES:

Shawn W. Miller

Mr. Miller earned his B.A. degree, cum laude, from Brigham Young University (1996) and his J.D. degree, cum laude, from Brigham Young University, J. Reuben Clark Law School (2000). He was a member of the J. Reuben Clark Law School Moot Court team and received superior oral argument 1998. During law school, Mr. Miller clerked for the Honorable Judge Maetani, Fourth Judicial District Court for the State of Utah. He has been a member of the Utah Bar since 2000 and the Nevada Bar since 2001. Mr. Miller is an author and instructor, including *Advanced Collection Strategies in Nevada*, National Business Institute, February 2004; *Bankruptcy Boot Camp*, American Bar Institute's Southwest Bankruptcy Conference, September 2004; *Money Matters: Keys to Advising Your Clients During Foreclosure and Repossession Actions in Nevada*, National Business Institute, February 2005. He is a member of the American Bar Association and the Clark County Bar Association. He is a member of the Bankruptcy Pro Bono Litigation Panel. He was a speaker on Nevada collections in February, 2005, for the Nevada Paralegal Association, an affiliate of the National Association of Legal Assistants.

Shlomo Sherman

Mr. Sherman is a graduate of Central Yeshiva Tomchei Tmimim Lubavitz, N.Y. (First and Advanced Rabbinic Degree, 2001) and Loyola Law School (J.D., cum laude, 2005; Order of the Coif). During law school, he served on the Scott Moot Court Honors Board, and was a member of the St. Thomas Moore Honor Society. While in law school, Mr. Sherman completed an externship for the Hon. Judge Richard Fruin of the Los Angeles Superior Court, as well as a pro bono externship for Bet Tzedek Legal Services. He was recognized with the top honors award in three classes. He is a member of the American Bar Association and the Clark County Bar Association. Mr. Sherman was admitted to practice in the Nevada state and federal courts in 2005.

Jeffrey R. Hall

Mr. Hall is a graduate of Brigham Young University (B.S., 2002) and Boyd School of Law (2005). He served on the Nevada Law Journal from 2003-2005. He was also a member of the J. Reuben Clark Law Society. While in law school, Mr. Hall completed an externship for the Hon. Judge Jessie Walsh (Clark County District Court). He is a member of the Clark County Bar Association, and was admitted to practice in the Nevada state and federal courts in 2005.

OF COUNSEL:

Dawn M. Cica

Ms. Cica is a graduate of the University of Nevada, Reno (B.S., Business Administration, 1984) and the University of California at Los Angeles School of Law (J.D., 1987). She began her career at the law firm of Shearman & Sterling as a transactional attorney. Her experience includes serving as in-house counsel to Mountain Spa Development, Inc. and Sigmund Sommer Properties (including duties relating to the financing and redevelopment of the Aladdin Hotel Casino). Ms. Cica is a member of the state bars of California (1987), New York (1990), and Nevada (1992).

PARAPROFESSIONALS:

Lissa Treadway, CLA, CLAS

Ms. Treadway is a Certified Legal Assistant and a Certified Legal Assistant Specialist in the area of bankruptcy. She is Vice President of the Nevada Paralegal Association and is also a member of the Legal Assistants Division of the State Bar of Nevada and the National Association of Legal Assistants. She began her legal career in 1988 as a legal clerk with the Clerk of the Superior Court in Mohave County, Arizona, and then as a paralegal/advocate with Community Legal Services in 1990. During her legal career she has been trained in bankruptcy, consumer law, administrative law, public benefits, domestic relations, social security advocacy, legal research, writing and rules of evidence. Ms. Treadway conducted monthly workshops instructing clients on how to represent themselves in bankruptcy, domestic relations and housing actions. She represented clients in all aspects of administrative law hearings for social security, unemployment and public benefits, from the initial evidentiary hearings through any administrative appeals. She assisted staff and pro bono attorneys with legal research, drafting pleadings and trial preparation. Ms. Treadway began working at the law firm of Shea & Carlyon, Ltd. in 1996, and in her current position she assists in preparing the petitions and schedules for new bankruptcy filings as well as research, drafting pleadings and other documents, and assisting with all aspects of litigation and trial preparation.

Anna-Marie Boehmer

Ms. Boehmer has a certificate in paralegal studies from Fairleigh Dickinson University of Madison, New Jersey. She has worked in the legal field since 1989 and worked as a paralegal since 1997. She has provided assistance to creditors and debtors in chapter 11, 7 and 13 bankruptcy cases in Nevada, New Jersey, New York and Delaware.

Lisa L. O'Grady

Ms. O'Grady received her Associates Degree in Paralegal studies from Mountain West College, graduating with a 4.0GPA. Ms. O'Grady received recognition as a valedictorian of her graduating class as well as top awards in bankruptcy and legal research and writing.

EXHIBIT “2”

**Shea & Carlyon, Ltd.
Current Hourly Rates**

<u>Shareholder</u>	<u>Hourly Rate</u>
James Patrick Shea	\$425.00
Candace C. Carlyon	\$425.00
Shawn W. Miler	\$325.00
<u>Associate</u>	
Shlomo S. Sherman	\$190.00
Jeffrey R. Hall	\$190.00
<u>Of Counsel</u>	
Dawn M. Cica	\$400.00
<u>Paraprofessional</u>	
Lissa Treadway	\$150.00
Anna-Marie Boehmer	\$150.00
Lisa O'Grady	\$150.00
Robin Smith	\$120.00